estimate of Rs. 1,01,900 is mostly under 'Subscriptions and Donations' and 'Entertainment of State Guests'. The grant of a donation of one lakh of rupees to the Benares Hindu University accounts for the increase under 'Subscriptions and Donations while the visit of His Excellency the Viceroy contributes to the increase under the other head. In accordance with the recommendations of the Special Finance Committee a new major head of account has been opened as 'State Conveyances' to represent the expenditure on motor cars, boats, Sirkar horses and carriages, etc., constituted out of the provisions which were hitherto being made under 'Public Works' and 'Miscellaneous'. As compared with the budget grant of Rs. 79,900 under the head, the revised estimate shows an excess of Rs. 34,000 mainly due to the purchase of additional motor cars and boats to meet the demands in connection with the visit of His Excellency the Viceroy.

Full details in respect of the rise and fall under each of the other heads are given in my memorandum, and I do not wish to trouble you with a reiteration of them here.

It has been a standing criticism of this House that the reorganisation of Departments and a liberal revision of pay of officers was being postponed. Government regret more than the Members on the opposite side that the scheme had to be delayed for reasons, which it is not at present necessary to go into, now that it has been given effect to. The contentment of the services is one of the primary concerns of every efficient Government, and it is their hope that this revision will go a great way to satisfy the demands of the staff. At the same time they recognise that changes may still have to be made to meet the changing conditions and the orders now issued cannot, in the very nature of things, be the last word on the subject. The average cost of the reorganisation, as ordered, results in an excess of Rs. 2,08,932 per year over the present cost of establishments.

Closing balance.—If our anticipations as regards the revenue are realised, and if our estimates of expenditure prove correct, we will have a surplus of Rs. 3,56,900 for the current year, which will, with the opening balance, raise the net surplus to the credit of the State to Rs. 97,06,790 at the end of the year.

Budget estimate of 1106.

The budget for the year 1106, as now framed, anticipates a revenue of Rs. 86,11,100 thus showing a decrease of Rs. 6,15,600 as compared with the revised estimate of the current year, while the programme of expenditure contemplates an outlay of

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Rs. 85,74,100 which also falls short of the revised estimate of Rs. 88,69,800 by Rs. 2,95,700, and the transactions of the year are expected to result in a small surplus of Rs. 37,000.

Receipts.—I shall now proceed to explain briefly the main features of the estimates of revenue for the coming year. The largest item of the anticipated fall in revenue as compared with the revised estimate is under 'Customs'. Though the actual receipt under the Interportal Trade Convention during the current year has come to Rs. 15,88,800 we have budgetted for a revenue of Rs. 11,00,000 only for the coming year in view of the fact that the present political situation in British India does not warrant the anticipation of a higher amount as evidenced from the speeches of eminent financiers elsewhere. The following extract from the Hindu, dated 17th July 1930, about the reply given by Sir George Schuster, the Finance Member to the Government of India, in regard to the fall under 'Customs' may be pertinent in this connection.

"Replying to a short-notice question by Sir Hari Singh Gour, Sir George Schuster said that there had been a loss of one crore and six lachs of rupees in the customs revenue for the quarter ending June compared with the estimated revenue. It was not improbable that the loss was ascribable to Civil Disobedience. The full effect of the movement on trade, however, had not been felt by the end of June. He added. 'The most serious reactions of this movement were the destruction of confidence, and the paralisation of internal trade and according to my information, the effects on Indian business are likely to be considerably more disastrous than those on the Government revenues.'

Salt is another head which shows a substantial fall in revenue of Rs. 1,46,800 The decrease under this head is, however, only apparent and is the result of the change in the debit of the actual cost of salt to 'Advances' as recommended by the Special Finance Committee. Only the net revenue is now exhibited under the head. As against the revised estimate of Rs. 2,69,300, the budget estimate under 'Public Works' is fixed at Rs. 2,45,600, the decrease being chiefly under 'Tolls', 'Ferries' and receipts of the Mechanical and Electrical Department which are fluctuating items. 'Land Revenue' also anticipates a small fall for reasons explained in the memorandum.

Against these decreases, slight improvements in revenue are anticipated under 'Abkari and Ganja' owing to enhanced tree-tax, larger bids at auction sales, etc., under 'Tramway' on account of increased traffic expected and under 'Interest' due to larger investments.

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